

Article - Education

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§9.5–111.

(a) (1) In this section the following words have the meanings indicated.

(2) “Analysis” means the market rate survey or an alternative method allowable under federal law.

(3) “Program” means the Child Care Subsidy Program.

(b) (1) Beginning in 2017, and every 2 years thereafter, the Department shall conduct an analysis in order to formulate appropriate reimbursement rates for the Program.

(2) The Department, before conducting the analysis, shall consult with:

(i) The Office of Child Care Advisory Council;

(ii) Child care resource and referral agencies;

(iii) Child care worker organizations; and

(iv) Any other appropriate entities.

(c) On or before September 1, 2017, and by September 1 every 2 years thereafter, the Department shall report to the Joint Committee on Children, Youth, and Families, the Senate Budget and Taxation Committee, and the House Appropriations Committee, in accordance with § 2–1257 of the State Government Article, on:

(1) The methodology of the analysis required under subsection (b) of this section;

(2) Cost estimates for raising the Program’s reimbursement rates to the 45th, 55th, 65th, and 75th percentile of child care providers in each of the State’s market regions;

(3) The minimum base payment rate that is required for child care providers to meet health, safety, quality, and staffing requirements in accordance with federal law and the factors used to determine that rate;

(4) The rate adjustment that the Department will implement based on the analysis;

(5) Any adjustments to Program eligibility or family copay amount that will be implemented; and

(6) Any potential impacts on families and providers due to any adjustments made to the Program.

(d) The Governor shall include in the annual State budget an appropriation from all fund sources for the Program that is not less than the total appropriation for the Program in fiscal year 2018 or fiscal year 2019, whichever is greater.

(e) The Governor shall, from all fund sources, appropriate funds in the annual State budget in an amount sufficient to raise the Program's reimbursement rates for each region to:

(1) For fiscal year 2020, not less than the 30th percentile of the most recent market rate survey or its equivalent if an alternative methodology defined by the Department is used; and

(2) For fiscal year 2021 and each fiscal year thereafter, not less than the 60th percentile of the most recent market rate survey or its equivalent if an alternative methodology defined by the Department is used.

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